

1918—



—1945

Alfred University Reading Room

Alfred

New York

ALFRED UNIVERSITY LIBRARY

Entered as 2nd class matter

# FOREIGN POLICY BULLETIN

*An interpretation of current international events by the Research Staff of the Foreign Policy Association*

FOREIGN POLICY ASSOCIATION, Incorporated

22 East 38th Street, New York 16, N. Y.

VOL. XXIV, No. 25

APRIL 6, 1945

## URGENT POLITICAL ISSUES STEAL SPOTLIGHT FROM SAN FRANCISCO

THE extent to which political and economic developments in Europe, sharply accelerated by the military successes of the Allies, are influencing the San Francisco Conference even before its opening was strikingly indicated during the past week. The request made by the Soviet government on March 22, and promptly rejected by Britain and the United States, that the Polish provisional government, whether or not broadened to include other Polish leaders, should be invited to San Francisco; Stalin's demand at Yalta, revealed on March 29, that Russia should have three votes in the General Assembly envisaged by the Dumbarton Oaks proposals; the anxiety expressed by French Foreign Minister Georges Bidault concerning United States proposals for an "international trusteeship" over colonial territories—all reflect the expectation that, as the war in Europe reaches its climax, a showdown on post-war problems becomes inevitable. Had an international organization been established a year, or even six months ago, we would have had machinery to handle these problems. As things stand now, plans for the San Francisco Conference appear to have been outrun by the tide of events.

**WITHOUT BENEFIT OF PEACE CONFERENCE.** It has long been apparent that adjustments of many controversial issues on the continent would not wait for a final peace settlement similar to the series of peace treaties that closed World War I. Military necessity dictated the conclusion by Britain and the United States of an armistice with Italy in 1943 (the terms of which have not yet been made public); and the subsequent negotiation by the Big Three, with Russia acting on behalf of its Allies, of armistices with Finland, Rumania, Bulgaria and Hungary, all of which contain far-reaching territorial, political and economic provisions usually reserved in the past for peace treaties. It is very doubt-

ful that a peace conference, if one should be held at the close of the European war, would undertake to revise such items as the cession of strategic areas by Finland to Russia; the return by Rumania to Russia of Bessarabia and Bukovina; or the surrender by Hungary of Transylvania, whose civilian administration was turned over by Stalin to the Rumanian government of Premier Groza on March 9. While Britain and the United States may have originally hoped to postpone territorial settlements in Eastern Europe until after the end of the war, their participation in the four armistices concluded with Germany's satellites in that area would indicate acquiescence in their territorial terms. In fact, proposals for eventual revision of border arrangements by a United Nations organization, as suggested in Senator Vandenberg's memorandum published on April 2, would cause grave misgivings in Moscow.

**POLAND'S EXPANSION.** As Russian forces overrun eastern and northern Germany, the Soviet government proceeds to implement the statement made by Roosevelt, Churchill and Stalin at Yalta when they said that "they recognize that Poland must receive substantial accessions of territory in the north and west." On March 31 the Warsaw radio announced that the Polish provisional government had set up a Province of Danzig, including the city of Danzig, strategic Baltic naval base, and several cities of the former Polish Corridor. This step may be criticized in London and Washington on two points, both specified in the Yalta announcement. In that document the Big Three leaders had said, first, that they feel that the opinion of the proposed Polish Provisional Government of National Unity (not yet formed) should be sought in due course on the extent of "Poland's accessions at the expense of Germany"; and, second, that final delimitation of the western frontier should await the peace conference.

*Contents of this BULLETIN may be reprinted with credit to the Foreign Policy Association.*

The most troubling immediate problem is that the Big Three commission in Moscow—charged by the Yalta Conference with the task of helping to reorganize the Lublin régime, now transferred to Warsaw, "on a broader democratic basis with the inclusion of democratic leaders from Poland itself and from Poles abroad"—has so far found it impossible to accomplish its task. The contention of the Soviet government in its request of March 22 is that representatives of that régime should be invited to represent Poland at the San Francisco Conference, irrespective both of the failure so far to broaden its composition, and of its nonrecognition by Britain and the United States.

This may appear to the Western powers as specious reasoning. But everything depends on the angle from which a particular international situation is viewed by a particular nation. At a moment when Britain and the United States are making every effort to align Argentina on the anti-Axis side—although no move in the direction of democratic practices has been made internally by the Farrell régime—and when this country, by increased purchases in Spain, appears to be strengthening the position of Franco, who openly fought Russia, it may seem reasonable in Moscow to line up Poland on its side in the forthcoming international organization.

**ADDED VOTES FOR BIG THREE?** A similar concern to improve Russia's bargaining position lies behind the demand for three votes in the General Assembly, to balance off those of Britain and the Dominions. This demand President Roosevelt is reported to have agreed to submit to the San Francisco Conference, having first reserved the right to submit a request for three votes for the United States if Russia's request is approved. Ever since the announcement of Foreign Commissar Molotov on February 1, 1944 that the 16 constituent republics of the U.S.S.R. were to maintain their own military contingents and conduct their own foreign affairs, it had been expected that Moscow would ask for 16 votes in an international organization. So

far it has limited its request for separate votes to the White Russian S.S.R. (which includes Polish White Russia) and the Ukrainian S.S.R. (which includes Polish Ukraine), in addition to the vote of the U.S.S.R. proper.

To what extent this demand is dictated by nationalist sentiment in the two republics—notably among the Ukrainians, who have a long history of national consciousness—remains for the time being a matter of speculation. As long as the Security Council of the proposed United Nations organization is dominated by the Big Three, it is difficult to see what, beyond prestige, is achieved by additional votes in the General Assembly which, according to the Dumbarton Oaks proposals, "should not on its own initiative make recommendations on any matter relating to the maintenance of international peace and security which is being dealt with by the Security Council." At the same time, several American political scientists have already pointed out the incongruity of having equal numerical representation in the General Assembly for countries indubitably unequal in many respects; and it has been suggested that votes should be allotted on the basis not only of population, but also of literacy, economic development, social progress, and so on. What must be regretted about the Yalta discussion of this point is not that it should have been raised, but that it should have been raised in a crudely mechanistic form which threatens to block constructive discussion of a valid and important question.

The key to Russia's attitude toward San Francisco, however, is neither the status of the Polish régime nor the number of votes to be held by the great powers in the General Assembly, but the belief that the conference, specifically called to set up the machinery of international organization, will not touch on the fundamental problems of peace-making and security.

VERA MICHELES DEAN

*(The second in a series of articles on political trends in Europe on the eve of San Francisco.)*

## ARGENTINE'S ENTRY INTO WAR MAY BOLSTER FARRELL DICTATORSHIP

Argentina's long-overdue declaration of war was made possible by the Mexico City invitation to Argentina to adhere to the Final Act of the Inter-American Conference. On March 27 the military government declared that a state of war existed between Argentina and Japan and Germany, "in view of the latter's character as an ally of Japan." Heretofore, Buenos Aires had justified its neutrality on the ground that Germany and Japan had given it no reason for war; more recently, it claimed that a declaration of war against Germany would be "unchivalrous" in the light of German defeats. But the Mexico City resolution afforded the necessary pretext,

and Argentina lost little time in acting on it—citing the Japanese attack on Pearl Harbor as one of the principal reasons for its move.

**BUENOS AIRES RECEPTION COOL.** According to dispatches from the capital city, federal police had to take the unusual precaution of throwing a cordon around the embassies of Argentina's new allies, to protect them from nationalist demonstrations. But, on the whole, the public received the news with somewhat the same indifference that characterized its response to the breaking of diplomatic relations fourteen months ago: while Argentines were glad that the government had finally abandoned its equivocal

stand on the war, they resented the appearance of foreign pressure that accompanied the move. It is possible that now, however, the Argentine does not attach as much importance to the loss of national prestige as he did a year ago. In a message to the Mexico City Conference the Committee of Exiled Argentines, representing all shades of political opinion, unequivocally stated that "dealing with a typically Nazi government . . . which does not represent the people, would be equivalent to negating the democratic affirmations made by the United Nations and to displacing security with distrust," and declared the Estrada doctrine of automatic recognition far removed from present realities. If he must choose between foreign intervention for democratic objectives and the further encroachments of a dictatorial government, the Argentine of 1945 knows which is the lesser evil.

If public reaction was frigid to the news of war, therefore, it was not because of widespread hostility toward the idea of external pressure—although this current, of course, persists in some quarters—but rather because the internal consequences of belligerency are greatly feared. The chances of obtaining political reforms are now indefinitely postponed. With the wartime experience of Brazil vivid in their minds, Argentines fear that the military clique—while professing a democratic foreign policy—will seize every opportunity through war decrees to tighten its stranglehold on governing processes at home.

#### WHY DID ARGENTINA DECLARE WAR?

In breaking diplomatic relations with the Axis last year, the government was largely motivated by the desire to obtain lend-lease goods to speed its arms race with Brazil. But surely the military clique does not delude itself that the new incumbents of the State Department will be any more disposed to respond to so patent a bid than was Secretary Hull or that, in any case, public opinion in this country would now permit such shipments to Argentina. As regards its post-war economic situation, moreover, the Argentine government is well aware that its economy can be maintained comfortably through the retention of British markets and the renewed demand for its foodstuffs in liberated Europe. With large exchange balances located in this country, Argentina will be able to purchase stocks of agricultural machinery and capital equipment once wartime controls are lifted.

Political, not military or economic, considerations impelled the Farrell-Perón government to declare war. For disapproval of its policies is general in

Latin America, as well as in the United States, and too marked to be ignored. Buenos Aires may have believed that, if it could succeed in dispelling continental opprobrium, it would obtain the half-promised incorporation into the group of United Nations in time to attend the United Nations Conference. Although the deadline for invitations to San Francisco had passed, that government may hope that the United States, while publicly laying emphasis on the necessity for a world approach to security planning, will privately welcome all possible support from the Latin American states at the April meeting. Even if this assumption were founded on some measure of truth, however, it is reported that a *Red Star* editorial last week asserted that, if Argentina were invited, Russia would not attend the Conference.

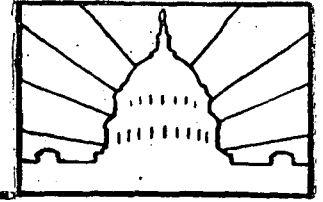
#### EARLY RECOGNITION FOR ARGENTINA?

The Mexico City resolution did not specify what would be the entrance requirements for admittance to the United Nations. But in the Joint Declaration of the United Nations, these governments pledge themselves to employ their full resources, military or economic, against those members of the Tripartite Pact with whom they are at war. The government of Argentina has moved to suppress the Axis press as well as some nationalist organs—but at the same time suspended two democratic newspapers, *Noticias Gráficas* and *Vanguardia*. In addition, registration and control of the movements of all aliens, including those who have acquired Argentine nationality, was decreed. An administrator of Axis firms has been appointed to supervise the commercial and financial activities of all Axis subjects.

Whether these measures will prove effective in eliminating Axis activities in Argentina depends entirely on the Farrell-Perón government. While the American republics have not in any way obligated themselves to accord diplomatic recognition or even to consult together on Argentina's latest move, their anxiety to receive Argentina back into the American family of nations may lead them to assume good intentions on the basis of insufficient evidence. This happened once before, with regrettable consequences, when the American states recognized the Ramírez government brought to power by the June 4, 1943 revolution. It may be that the new direction of Washington's policy is to recognize Argentina at an early date, and send to that country an ambassador of vigorous democratic leanings who would report fully on progress toward the suppression of Axis activities and encourage by his presence the reconstruction of constitutional government. OLIVE HOLMES



# Washington News Letter



## WILL CONGRESS BACK MEASURES FOR WORLD ECONOMIC COOPERATION?

The charter for international political and military cooperation to be drawn up at the San Francisco Conference will be only one rail in the track to a lasting peace. The other will be a system for bolstering a moderate prosperity in the various nations, which seek security as much from the torments of unemployment and depression as from some aggressive neighbor. The need for this second track has prompted the Administration to present to Congress a number of proposals which are designed in the long run to contribute to economic security both in this country and abroad.

### FOREIGN ECONOMIC POLICY PROPOSALS.

Together the proposals make up the substance of a foreign economic policy for the United States. They fall into two categories — agreements with other states, and purely national acts which would affect other states. Outstanding in the first category are the Bretton Woods agreements for establishment of an International Monetary Fund and an International Bank; the agreement for the United Nations Food and Agriculture Organization; the agreements reached at the Chicago Aviation Conference; and the Mexican Water Treaty.

In the second category are the Trade Agreements Extension Act, whose passage President Roosevelt urged in a message to Congress on March 26; the bill extending lend-lease; legislation that would guide the post-war sale of ships from the United States merchant fleet; and bills prolonging the export subsidies on wheat and cotton shipped from the United States. The Administration will also shortly submit to Congress proposals to increase the lending power of the Export-Import Bank to \$2,000,000,000 or \$2,500,000,000; to repeal the Johnson Act; and to provide more funds for UNRRA.

Congress has been scrutinizing these proposals long and cautiously. The Senate Foreign Relations Committee reported the Mexican Water Treaty on February 23, but the Senate has not yet completed its debate on this instrument for specialized economic cooperation between the United States and Mexico. The House Banking and Currency Committee began hearings on the Bretton Woods agreements on March 7, and these are not yet completed. The Administration expects swifter progress through the Capitol for the food and agriculture agreement, but its hopes may be disappointed. President Roosevelt on March 26

sent a message to Congress favoring the Food and Agriculture Organization. On March 27 Chairman Bloom of the House Foreign Affairs Committee introduced a joint resolution authorizing the United States to accept membership in the organization. He has scheduled the first hearings for April 12.

Meanwhile, the House passed the lend-lease extension act on March 13. Five Republicans successfully sponsored an amendment to this Act forbidding the use of lend-lease for "post-war relief, rehabilitation or reconstruction." A statement concerning the legislation by one of the five, Representative Vorys of Ohio, reflected the growing determination of Congress to participate actively in foreign affairs: "It shows complete agreement between the executive and both parties in Congress that our post-war plans and policies will be submitted to Congress, and the approval of a majority in both parties is sought for these policies."

**STRUGGLE AHEAD ON TRADE AGREEMENTS.** The central concept behind the economic foreign policy program is that the whole world will gain through the elimination of preferences in international commerce and the lowering of tariff barriers. This concept conflicts with the view held by some that any one country might best increase its prosperity and serve its commercial interests through special agreements in a limited area. The Administration program has opponents at home, in the protectionists, and abroad, in the supporters of special agreements like Empire preference and the sterling bloc. Britain, for example, finds it difficult to reconcile American advocacy of nondiscrimination with our policy of subsidizing cotton exports.

The issue between those two points of view on foreign economic policy will be joined most clearly over the Trade Agreements Extension Act, for which Chairman Doughton of the House Ways and Means Committee introduced a resolution on March 16. Hearings will begin before that committee on April 16. The extension bill would authorize the Administration to negotiate trade agreements for three years beyond June 12, 1945, and in the negotiations to reduce by 50 per cent tariffs existing on January 1, 1945. A strong group in Congress will strive to amend the Act to provide for Congressional review of every trade agreement made under its authority.

BLAIR BOLLES

**FOR VICTORY • BUY UNITED STATES WAR BONDS**